



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

RQ-3

February 27, 2003

Earl Scales, Treasurer  
Democratic Executive Committee of Florida  
810 Thomasville Road  
Tallahassee, FL 32303

Identification Number: C00005561

Reference: 12 Day Pre-General Report (10/1/02-10/16/02)

Dear Mr. Scales:

This letter is to inform you that as of February 26, 2003, the Commission has not received your response to our request for additional information, dated January 28, 2003. This notice requests information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy enclosed).

An adequate response must be received at the Commission by March 19, 2003. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter, please contact Erik Koeppen on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division) or our local number (202) 694-1130.

Sincerely,

A handwritten signature in dark ink, appearing to read "John D. Gibson", is written over the typed name.

John D. Gibson  
Assistant Staff Director  
Reports Analysis Division

Enclosure



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20543

RQ-2

Earl Scales, Treasurer  
Democratic Executive Committee of Florida  
810 Thomasville Road  
Tallahassee, FL 32303

Identification Number: C00005561

Reference: 12 Day Pre-General Report (10/1/02-10/16/02)

Dear Mr. Scales:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The totals listed on Lines 11(a)(iii), 11(d), 18, 19, 20, 21(a)(i), 21(a)(ii), 21(c), 30, and 31, Column B of the Detailed Summary Page(s) appear to be incorrect. Please be advised that you should add the "Calendar Year-to-Date" total from your previous report to the current "Total This Period" figure from Column A to derive the correct Column B totals. Please amend your report and any subsequent reports that may be affected by this correction.

-The beginning cash balance of this report should equal the ending balance of your October Quarterly Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Your calculations for Lines 6(c) and 7, Column B appear to be incorrect. FEC calculations disclose these amounts to be \$3,129,250.92 and \$3,070,928.48, respectively. Please provide the corrected totals on the Summary Page.

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have checked the category Administrative/Voter Drive for the payment(s) to "Vic Johnson" for "Direct Mail Thurman/CD5-441/a.d." This expenditure does not meet the definition of a generic expenditure but instead direct candidate support. Furthermore, you have disclosed the FEDERAL

## DEMOCRATIC EXECUTIVE COMMITTEE OF FLORIDA

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SHARE(S) as \$1,182.15. Be advised that any FEDERAL SHARE of a coordinated expenditure for DIRECT CANDIDATE SUPPORT must also be itemized on Schedule F supporting Line 25 of the Detailed Summary Page, respectively, and not included in the total for this page. Please amend your report to include the allocation ratio on a Schedule H2, classify this expenditure as direct candidate support on Schedule H4, and report the federal portion of this expenditure on a Schedule F.

-On Schedule H2, you disclose the ratio for "A015" to be the same as previously reported; however, it appears that this activity/event was not previously reported. Please amend your report to clarify this discrepancy.  
11 CFR §104.10(a)(1)

-On Schedule H4 supporting Line 21(a) of the Detailed Summary Page, you have checked the category DIRECT CANDIDATE SUPPORT for the payment(s) to "Tyson". You have disclosed the FEDERAL SHARE(S) as \$9,855.97. Be advised that any FEDERAL SHARE of coordinated expenditures for DIRECT CANDIDATE SUPPORT should not be included in the total for this page but instead included in the total for Schedule F. Please amend your report to correct this apparent discrepancy and refer to the enclosed instructions on how to properly report coordinated expenditures.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR-TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category. EVENT YEAR-TO-DATE totals for fundraising, direct candidate support, and exempt activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous EVENT YEAR-TO-DATE total for that category or event. This running EVENT YEAR-TO-DATE total should be disclosed after each disbursement is listed. Please amend your report by providing the correct EVENT YEAR-TO-DATE totals.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "Research". For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

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-Please amend your report by providing the purpose for each disbursement itemized on Schedule(s) H4 supporting Line(s) 21(a).

-Schedules H2 and H4 disclose 100% federal activity. Please be advised that by definition, this activity does not qualify as a shared expense to be allocated between your federal and non-federal accounts. This activity should be itemized on a Schedule B for Line 21(b) of the Detailed Summary Page. Any reimbursement from your committee's non-federal account for any portion of this activity is not permissible and must be returned. Please amend your report to clarify this discrepancy.

-The coordinated expenditure schedule (Schedule F) should disclose the following information: the identification of the designating committee, the payee's name and address, the purpose of the expenditure, the identification of the candidate supported, the office sought, state and district (if applicable), the date and amount of the payment and the aggregate general election expenditure total for each candidate supported. Please amend Schedule F by providing the payee's name and address, office sought, state and district (if applicable) for each candidate, and aggregate general election expenditure total for each candidate supported. 2 U.S.C. §441a(d)

-Schedule F of your report discloses a coordinated expenditure made directly to a candidate committee (pertinent portion(s) attached). Please be advised that a coordinated expenditure is to be made on behalf of a candidate for the General Election. The money cannot be contributed directly to the candidate committee. As such your expenditure appears to be a contribution to a federal candidate and is subject to the limits set forth in the Act. Please amend your report to clarify your expenditures and record them on the appropriate schedule supporting the correct line of the Detailed Summary Page.

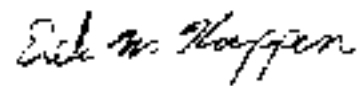
-Schedule F, supporting Line 25 of your report discloses \$2.00 in coordinated expenditures to "Congresswoman Karen L. Thurman." However, the purpose of each expenditure is "Polling/Thurman/CD-5 \$12,500.00 441a.d." and "Direct Mail/Thurman/-CD5-\$7,000," respectively. Please amend your report to clarify this apparent discrepancy.

-Please be advised that Schedule H2 is used for shared federal and non-federal fundraising, exempt, and direct candidate support activity. The ratio for administrative expenses is derived from the Schedule H1 and should not be included on your Schedule H2. Please amend your report to clarify this discrepancy.

DEMOCRATIC EXECUTIVE COMMITTEE OF FLORIDA  
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A response or amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Erik W. Koeppen  
Senior Campaign Finance Analyst  
Reports Analysis Division

**SCHEDULE F (FEC Form 3X)****ITEMIZED COORDINATED EXPENDITURES MADE BY  
POLITICAL PARTY COMMITTEES OR DESIGNATED AGENT(S)  
ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE****(2 U.S.C. §441a(d))**

(To be used only by Political Committees in the General Election)

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FOR LINE 25 OF FORM 3X

NAME OF COMMITTEE (in Full)

Democratic Executive Committee of Florida

Has your committee been designated to make  
coordinated expenditures by a political party committee?YES ☐ NO ☒

Full Name of Subordinate Committee

If YES, name the designating committee:

Mailing Address

City

State

ZIP Code

Full Name (Last, First, Middle Initial) of Each Payee

Congresswoman Karen L. Thurman

Purpose of Expenditure

Peters/Thurman/CD5 -  
\$12500.00 441a.2.

IND

Category/  
Type

Mailing Address

450 Pleasant Grove Road

Date

City

State

ZIP Code

Inverness

FL

34452

10 10 2002

Name of Federal Candidate Supported

Office Sought

House

State

Senate

District

Presidential

Amount

Aggregate General Election

.00

1.00

Expenditure for this Candidate ▶

Transaction ID: D30261

Full Name (Last, First, Middle Initial) of Each Payee

Congresswoman Karen L. Thurman

Purpose of Expenditure

Gardner Mail/Thurman -  
CD5-\$7000

IND

Category/  
Type

Mailing Address

450 Pleasant Grove Road

Date

City

State

ZIP Code

Inverness

FL

34452

10 10 2002

Name of Federal Candidate Supported

Office Sought

House

State

Senate

District

Presidential

Amount

Aggregate General Election

.00

1.00

Expenditure for this Candidate ▶

Transaction ID: D30247

SUBTOTAL of Expenditures This Page (optional) . . . . .

2.00

TOTAL This Period (last page this line number only) . . . . .

2.00

**Payments (H4, F)****Schedule H4**

The committee uses Schedule H4 to itemize payments for "Vote/86" and to disclose the allocated federal and nonfederal shares.

In this case, the federal portion (\$7,500) must be further allocated between the Presidential ticket and the U.S. Senate candidate. The committee allocates 80 percent (or \$4,500) as an exempt activity on behalf of the Presidential ticket and 40 percent (or \$3,000) as a coordinated party expenditure in support of the U.S. Senate candidate. The allocation is based on the number of questions and statements devoted to each candidate compared to total questions/statements devoted to both candidates.

The federal share of the payment on Schedule H4 reflects this allocation: \$4,500 is labeled as an "exempt activity"; \$3,000 is labeled as a *memo entry* with a cross reference to Schedule F.

The \$4,500 payment for the exempt party activity is included in the Schedule H4 total of federal payments. That total is also disclosed on Line 21a(i) of the Detailed Summary Page.

**Schedule F**

The \$3,000 coordinated party expenditure is itemized on Schedule F. The Schedule F total of all coordinated expenditures made during the reporting period is entered on Line 25 of the Detailed Summary Page.

**ALLOCATED PAYMENTS (H4)**

EXPENDITURE SCHEDULE H4 (Form H4-1)		JOINT FEDERAL/NON-FEDERAL ACTIVITY SCHEDULE		PAGE 1 OF 1	
NAME OF COMMITTEE Loyalist State Party Committee					
NAME, MAILING ADDRESS & ZIP CODE Phone Banks Make Cents 202 Arcascode Drive City, State ZIP	EXPENSES BANK- Vote/86	DATE 11/8/86	TOTAL AMOUNT \$10,000.00	FEDERAL SHARE \$4,500.00 EXEMPT \$3,000 MEMO—see Schedule F	NON-FEDERAL SHARE \$2,500.00
CATEGORIES: <input type="checkbox"/> ADVERTISING/PUBLICITY <input type="checkbox"/> FUNDRAISING <input type="checkbox"/> OTHER					
TOTAL: \$10,000.00					

The \$7,500 federal share has to be broken down: \$4,500 is reported as exempt party activity (treated as an operating expenditure); \$3,000 is reported as a *memo entry* with a cross-reference to Schedule F, where the amount is itemized as a coordinated party expenditure.

**COORDINATED PARTY EXPENDITURE (F)**

SCHEDULE F		ITEMIZED COORDINATED EXPENDITURES MADE BY POLITICAL PARTY COMMITTEES OR DESIGNATED AGENTS(S) ON BEHALF OF CANDIDATES FOR FEDERAL OFFICE (2 U.S.C. § 441a(d))		PAGE 1 OF 1	
(To be used only by Political Committees in the Course of Election)					
NAME OF POLITICAL COMMITTEE (in full) Loyalist State Party Committee					
Have all committees been designated to make coordinated expenditures on a non-party basis? <input type="checkbox"/> YES <input type="checkbox"/> NO					
For Name, Mailing Address and ZIP Code of Submitter Committee					
NAME, MAILING ADDRESS AND ZIP CODE OF SUBMITTER	NAME OF FEDERAL CANDIDATE SUPPORTED (Last, first & middle initial)	DATE OF EXPENDITURE	DATE RECEIVED (See H4)	AMOUNT	
Phone Banks Make Cents 202 Arcascode Drive City, State ZIP	Candy Date, Senator, State	phone bank services: Vote/86	11/8/86	\$3,000.00	
Individual General Fundraising Expenditure for this Candidate: \$10,000.00					

The \$3,000 coordinated party expenditure (shown as a *memo entry* on Schedule H4, above) is itemized on Schedule F.



